

Teva, Allergan Finalize Multibillion-Dollar Global Opioid Deals

By **Emily Field**

Law360 (November 22, 2022, 9:25 AM EST) -- Teva on Tuesday said that it had finalized a global deal worth up to \$4.25 billion to end allegations brought by states and local governments that it fueled the opioid crisis by downplaying the risks of addiction, in addition to Allergan saying it finalized its own deal worth up to \$2.02 billion.

Teva said in a statement that it has finished documenting the deal with states attorneys general and lead attorneys in multidistrict litigation that it had **first announced in July**. AbbVie unit Allergan also said it tied up its settlement terms, which will fund efforts to resolve the crisis and reimburse attorneys' fees and costs.

Now that the terms have been finalized, a sign-on process will begin for states to join the deal, according to Teva.

"Given the high participation rate in other nationwide opioids settlements — and Teva's settlements with Texas, Florida, Louisiana, Rhode Island, West Virginia, San Francisco and New York — we remain optimistic that a high participation rate in this nationwide settlement will be achieved, enabling us to put these cases behind us and continue to focus on the patients we serve every day," Teva said in a statement.

Teva has been one of the major drugmakers in suits across the country alleging that drug companies minimized the risks of addiction to opioids and failed to prevent the diversion of prescription narcotics for illicit uses; its deal hinged on Allergan reaching its own national settlement, which was announced after Teva initially announced its own.

Allergan sold its generic opioids portfolio to Teva in 2016; the deal resolves claims related to that business, according to the company. AbbVie acquired Allergan in 2020.

"Previously, Allergan made the decision to voluntarily discontinue its branded prescription opioid business, which had a minimal market share of less than 1% of nationwide prescription, and Allergan did not fund any third-party pain organizations' opioid initiatives," the company said in a statement. "Allergan's promotion and marketing of opioid medications were responsible and appropriate, and this settlement is not an admission of any wrongdoing."

Leading attorneys for local governments in the MDL said in a statement that they encouraged states, municipalities and Native American tribes to join in the settlement.

"As a direct result of the hard work of community leaders, first responders, and the MDL litigation teams, communities across the country will be provided with the financial and medical resources necessary to continue their life-saving work," the plaintiffs leadership said in a statement.

Resources will be distributed from the settlement based on factors such as population and the impacts of the opioid epidemic on communities.

"The settlements mean nothing if we don't get robust participation at the state and local level, so now that the very complicated papers are inked, we turn to securing the required level of participation so that funds can flow to our nation's communities," Hunter Shkolnik of Napoli Shkolnik said in a statement.

Paul Geller of Robbins Geller said that the documents were the most complex and detailed of any settlement that he had been involved with.

"[W]e've spent the past four months drafting, proof-reading, bickering, rehashing, fly-specking, i-dotting, and t-crossing on a long, winding and bumpy road filled with spike strips, barricades and detours, but thanks to diligence by our team, experienced defense counsel, and nimble mediators, it looks like we've made it to the point where the roll out process can begin," Geller said.

--Editing by Alex Hubbard.

Update: This article has been updated to include Allergan's statement.